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Progress in the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa, proposals for the renovation of conference facilities, including Africa Hall, and revised estimates relating to the programme budget for the biennium 2014-2015 under section 18, Economic and social development in Africa, section 33, Construction, alteration, improvement and major maintenance, and section 34, Safety and security

Report of the Secretary-General

Summary

Pursuant to section I of General Assembly resolution 63/263, in which the Assembly endorsed the conclusions and recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/63/465), progress reports are to be submitted annually to the Assembly for all ongoing construction projects.

The present report provides an update on the successful completion of the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa and the full occupancy of the premises in August 2014. It also presents the cost plan for project completion, which entails completion of the remaining ancillary projects and close-out in mid-2015.

In section III, paragraph 4, of General Assembly resolution 68/247, the General Assembly requested the Secretary-General, as a matter of priority, to ensure that the renovation of conference facilities at the Commission, in particular Africa Hall and Conference Room 1, was carried out and to report thereon to the General Assembly at its sixty-ninth session. The report sets out the findings of an assessment of the structural condition of the conference buildings and standard of facilities and presents the proposals of the Secretary-General for the renovation of the conference

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facilities, which include a proposed project scope, implementation schedule and cost plan for the renovation of the Africa Hall Building. An update on the progress of ongoing renovation work at the United Nations Conference Centre is also provided.

The Secretary-General requests an additional appropriation for the biennium 2014-2015 under section 18, Economic and social development in Africa, for an initial dedicated project management team and under section 33, Construction, alteration, improvement and major maintenance, for consultancy services related to the proposed renovation of the Africa Hall Building.

In addition, the Secretary-General proposes the establishment of an additional 18 security officer posts, effective 1 January 2015, under section 34, Safety and security, of the programme budget for the biennium 2014-2015, related to the increased safety and security operations for the new office facilities.

A decision by the General Assembly to approve the proposed renovation project for the Africa Hall Building and to establish a multi-year special account is required.

I. Overview

A. Additional office facilities

1. The present report provides an update on the successful completion of the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa since the previous report of the Secretary-General (A/68/517). There remains a small amount of ancillary project work to be finished, the completion of which is anticipated by June 2015.

2. By its resolution 56/270, the General Assembly approved the construction of additional office facilities at the Commission. Subsequently, in its resolution 60/248, the Assembly endorsed the expansion of the scope of the project to include the construction of two additional floors. In its resolution 62/238, the Assembly took note of the report of the Secretary-General (A/62/487) and endorsed the related recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/62/7/Add.11) for a revised cost estimate totalling $14,333,100.

3. In 2011, the Secretary-General confirmed that the additional funding necessary for the construction of the seventh floor had been made available in the total amount of $1,000,100, comprising $850,000 from the support account for peacekeeping operations in respect of the United Nations Office to the African Union and $150,100 from the budget for the African Union-United Nations Hybrid Operation in Darfur. Such funding permitted construction of the building in accordance with the scope of work. The approved funding for the project is $15,333,200.

4. After several delays, the new office facilities project achieved the "substantial completion" milestone on 19 June 2014 (see para. 37 for a definition) and the contractor was formally provided with a substantial completion certificate on 27 June 2014. The substantial completion was synchronized with the first move-in, where the United Nations Office for Project Services and the United Nations High Commissioner for Refugees Liaison Office to the African Union and the Economic Commission for Africa moved into the building, followed by the United Nations Office to the African Union (which includes the African Union-United Nations Hybrid Operation in Darfur) and the World Health Organization. The move-in of the United Nations Children's Fund was completed in August 2014.

B. Renovation of conference facilities

5. The present report provides the status of the renovation of the conference facilities, including the proposal of the Secretary-General for the renovation of the Africa Hall Building as a multi-year project from 2015 to 2021.

II. Update on the construction of additional office facilities

A. Construction progress

6. The Secretary-General is pleased to report that the construction of the additional office facilities was completed on 19 June 2014 and the premises are fully occupied and operational.

7. As previously reported, the contract for construction was signed on 1 April 2010 and work commenced on 1 May 2010, following four weeks of mobilization. The construction was expected to be substantially completed by the end of February 2012. Further to the previous report to the General Assembly (A/68/517), in which the substantial completion date was indicated as 31 December 2013, the construction was further extended to 30 June 2014, following the failure of the contractor to meet the planned substantial completion dates. Substantial completion of the project was achieved on 19 June 2014.

8. The interior fit-out was synchronized with the final phase of the construction, which enabled the first move-in to start on 27 June 2014 with completion scheduled within six weeks.

9. Since the issuance of the previous report of the Secretary-General, the construction has focused on the installation and inspection of architectural and electromechanical components to ensure their compliance with the contractual specifications. This enabled the generation of a list of minor defects (known as a punch list) that included: (a) items that were required to be corrected before commissioning; (b) items that were required before the issue of a certificate of substantial completion; and (c) items that can be corrected during the defects liability period of one year, in which the contractor may return to the site to remedy outstanding defects. This was followed by the final testing and commissioning in June 2014 of the electromechanical installations to ensure that they performed as required by design. All electromechanical equipment, including elevators, is now operational.

10. Energy-efficient systems that form part of the building construction have been implemented. The implementation included installation of occupancy sensors, preliminary piping and storage tanks for a passive solar hot water system and an open office concept which allows for maximum use of natural ventilation, lighting and increased occupancy.

11. The building is now completed and fully operational as a result of the successful testing and commissioning of building systems carried out in April and May 2014. However, prior to its completion, the project faced protracted delays as a result of the following three major factors: (a) delays in the supply and delivery of electrical equipment by the utility company; (b) delays in clearing the final imported materials required; and (c) subcontractors' underperformance in delivering and installing the revolving door and its canopy. These were all rectified as a result of the dedication of the Director of Administration and the project management team, in particular, who made an extra effort to address the challenges related to the lack of effective coordination and management by the main contractor.

12. In order to provide the required support to finalize the remaining ancillary projects, which have no effect on the functionality of the new office building, the project management team will meet with the senior management of the contractors and subcontractors on a weekly basis until these items are also completed.

B. Ancillary projects

13. In its resolutions 56/270 and 62/238, the General Assembly approved the required project components related to access, safety and functionality of the

additional office facilities. The ancillary projects include the installation of generators and a generator house, the construction of internal access roads, parking, civil and landscaping work, site lighting, sanitary work and interior partitions.

14. The generator and transformer houses are now substantially completed and the generators have been installed, tested, commissioned and integrated with the building power system.

15. Revision of existing parking arrangements and parking policy resulted in the alleviation of parking constraints and availability of additional parking space at the premises of the Commission.

16. As previously reported, the Commission explored all options to ensure the completion of these activities within budget. These included prioritizing project activities that are essential for building occupancy, negotiating with selected contractors and carrying out value engineering where feasible.

17. Despite the delays caused by the previously reported design deficiencies and the extremely heavy rainy season, the project team managed to fast-track the key components required for building occupancy. This included pedestrian and vehicular access to the main entrance of the building, which enabled the start of the move-in June 2014.

18. The remaining ancillary project components, notably, the parking deck, greenery and landscaping, internal access roads and some of the walkways, will be undertaken during the dry season starting in October 2014. The normal operations of the new office building will not be disrupted and none of this work is required for the building to operate. The Commission plans to complete the work by mid-2015.

C. Value engineering

19. Value engineering continues to be exercised in all disciplines of the project. Recently, additional costs of $231,200 have been averted by implementing appropriate measures for storm water drainage, in lieu of the proposed design by the consultant, as well as some other mechanical components. This effort has enabled the project to accommodate amendments while remaining within the approved budget. The changes made as a result of the value engineering exercise did not adversely affect the overall building performance, aesthetics or functionality.

20. In addition, design reviews for all ancillary projects have been evaluated by project stakeholders to ensure that all the essential scope details were fully considered and endorsed.

D. Procurement

21. The contract for the construction of the additional office facilities of the Economic Commission for Africa was signed on 1 April 2010 for a total amount of $7,451,700. There were 15 contract amendments to capture several variations. The aggregate contractual amount resulting from the amendments was $9,367,400. The amendments can be divided into four categories: (a) extension of contract periods; (b) discrepancy between the bill of quantities and the drawings; (c) new requirements and design changes which included the value engineering exercise;

and (d) payment arrangements. In relation to value engineering, there were two amendments that resulted in savings totalling $615,000.

22. The delivery for the interior fit-out, which includes the office partitions, was successfully installed in May 2014. With regard to the workstations and furniture, these were synchronized with the move-in dates. The procurement process for data and communication networks infrastructure was finalized and the equipment was installed in June 2014.

23. The procurement process for the required activities of the ancillary projects to allow tenants to move in was successfully completed. Two contracts were awarded for a total of six work components, comprising the car ramp construction, electrical and sanitary installations, fire staircase, generator and transformer houses. The remaining components that are not essential for the move-in are currently in progress.

E. Host country coordination

24. The support of the host country has been critical in the successful execution of the additional office facilities project throughout its implementation, and has been essential in overcoming most logistical difficulties. The Secretary-General wishes to thank the host country for its support in facilitating the smooth delivery of infrastructure components for the project and for the timely completion of the access roads leading to the new entrance of the Economic Commission for Africa compound.

25. The Commission continues to collaborate actively with the host Government officials through the Ministry of Foreign Affairs on all issues relating to the delivery of construction materials, exemption from the value added tax for local purchases and other services required in the interest of the operational efficiency of the additional office facilities.

26. To this end, and in close collaboration with the Ministry of Foreign Affairs, the Office of the Director of Administration had actively engaged various government entities to ensure the timely delivery of critical services to the project. This notwithstanding, the delayed delivery and installation of the two compact transformers to obtain power supply from the local utility provider delayed the completion of the project.

27. The project has also recently faced challenges in obtaining imported construction materials, owing mainly to the introduction of a 3 per cent withholding tax. The Commission continues to meet with officials of the concerned branches of the Government of Ethiopia, including the Foreign Office, Customs Authority and Ministry of Finance and Economic Development, to resolve the matter.

F. Project management

28. The Executive Secretary of the Economic Commission for Africa is the project owner and therefore he, or his designated representative, is responsible for providing oversight to the project. The Compound Advisory Committee, which includes the prospective tenants at the facility, continued to be informed of the progress of the project and expected move-in dates.

29. The project management team of the Economic Commission for Africa, which reports directly to the Director of Administration, has had to assume additional tasks to ensure the successful delivery of the project. The team continually assisted the contractor and its subcontractors in developing and approving lists of material submittals and coordinating with host Government officials to support the importation process, and reviewed, refined and substantively amended project plans and performance progress reports on a weekly basis. To strengthen those efforts, the project management team continued to hold daily and weekly meetings with the contractors and subcontractors. During the meetings and site visits, the contractors and subcontractors were required to improve the output rates and quality of workmanship. The collaborative efforts resulted in a significant improvement in the overall delivery of the project.

30. The independent technical adviser and quantity surveyor, contracted in March 2011 to provide advice and report to the Director of Administration, performed his role in the verification of the contractor's work, invoices and major change orders.

31. The respective administrative sections within the Division of Administration, and the Safety and Security Section at the Economic Commission for Africa, continued to provide additional technical and administrative expertise in their respective areas for both the building construction and its ancillary components.

32. The Office of Central Support Services continues to provide the necessary coordination, support and guidance on project management and technical matters. The Office of Central Support Services and the project management team of the Economic Commission for Africa continue to hold regular conference call meetings and senior management video teleconferences when necessary.

G. Security coordination

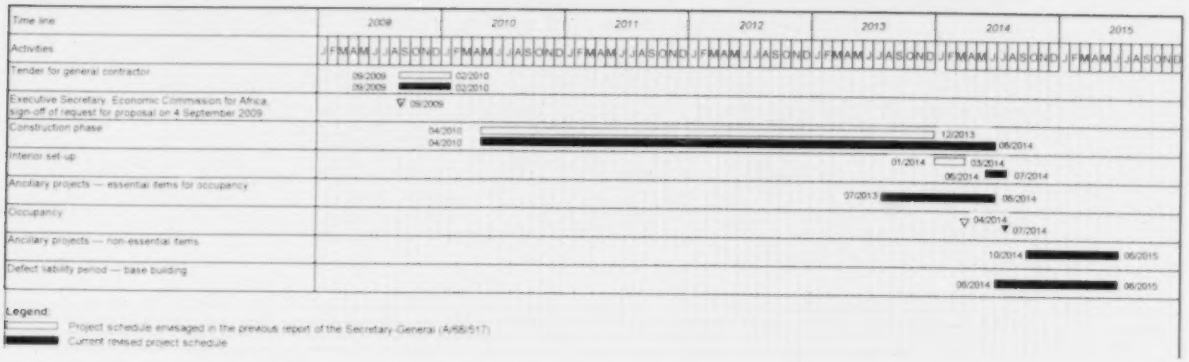
33. The installation of security systems for the new office facilities has been coordinated with the Safety and Security Section of the Economic Commission for Africa as part of the security systems upgrade for the compound under the second phase of the standardized access control project, including blast-resistant film. The security systems consist of access control, alarm monitoring and a closed-circuit television system. Pre-wiring was carried out successfully and the components have been installed, commissioned and made operable.

H. Project schedule

34. The revised project schedule is shown in figure I below, which reflects the substantial completion date of 19 June 2014.

Figure I

Revised project schedule for the additional office facilities at the Economic Commission for Africa


Time line
2009
2010
2011
2012
2013
2014
2015
Activities
J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D
Tender for general contractor
09/2009
09/2009
02/2010
02/2010
Executive Secretary, Economic Commission for Africa, sign-off of request for proposal on 4 September 2009
09/2009
Construction phase
04/2010
04/2010
12/2013
06/2014
Interior set-up
01/2014
05/2014
06/2014
07/2014
Ancillary projects — essential items for occupancy
07/2013
06/2014
Occupancy
04/2014
07/2014
Ancillary projects — non-essential items
10/2014
06/2015
Defect liability period — base building
06/2014
06/2015
Legend:
Project schedule envisaged in the previous report of the Secretary-General (A/68/517)
Current revised project schedule

I. Cost estimates

35. The overall project budget for the additional office facilities remains unchanged at $15,333,200, as presented in the previous report (A/68/517). As at 31 July 2014, the overall expenditure amounted to $13,262,400 and it is projected that additional expenditures in the amount of $2,070,800 will be incurred between August 2014 and June 2015. A detailed analysis of the project cost estimate is provided in annex I to the present report.

36. The projected expenditures in the amount of $2,070,800 for the remaining period relate to:

(a) Invoices that have yet to be billed by the contractor(s) for completed works for the base building and essential ancillary projects, including car ramp, site electrical works, fire escape, generator and generator house;

(b) 5 per cent of completed work which was due upon substantial completion but has not yet been billed by the contractor;

(c) 5 per cent of the total agreed contract costs being held in retention and due at close-out of the project in June 2015;

(d) Remaining ancillary projects that are currently in progress, including internal access road, parking and landscaping ($992,700);

(e) Balance of the contingency that may be required during the completion of the remaining ancillary projects ($120,200).

III. Post-construction activities

A. Status of project completion

37. The project reached what is commonly referred to in the construction industry as "substantial completion" on 19 June 2014, at which point more than 95 per cent of the building's construction had been completed to the satisfaction of the

Commission, enabling it to take possession of it and commence occupancy. What is referred to as the defects liability period of one year commences on the date of substantial completion, allowing the contractor to finalize minor outstanding defects that may occur during that time period, during which 5 per cent of the total agreed contract cost is held in retention. Furthermore, as stated in paragraph 18 above, the remaining ancillary projects would be completed by the second quarter of 2015.

B. Occupancy plan

38. The move into the building, under the leadership of the Office of the Director of Administration, was coordinated by the Facilities Management Section of the Commission. Occupancy of the additional office facilities was completed by mid-August 2014. The occupancy for the new office facilities building included the move-in of 685 staff members of the five entities which has exceeded the originally planned number of 647 reported by the Secretary-General in his 2012 report (A/67/216). This change is a result of the efficient use of office space, especially the use of an open office furniture concept for the building with the system furniture which has been carried out on all floors. The cost of the interior set-up was supplemented by the tenants of the new office facilities.

C. Lessons learned

39. In accordance with General Assembly resolution 66/247, the Office of Central Support Services assists in the development, collection and promulgation of lessons learned for capital projects undertaken by the Organization. A list of the lessons learned from the additional office facilities at the Economic Commission for Africa project include the following:

(a) The project team, including internal management and external architectural and engineering firms, should be composed of the proper balance of staff with both international and local experience. Design documents should accurately reflect applicable international best practices and standards, in addition to local codes, and should also take into account local construction techniques and practices;

(b) An adequately sized dedicated project management team for large-scale projects should be established early in the project planning stage, and should continue through project close-out;

(c) The vetting process for hiring architectural and engineering design firms, contractors, subcontractors and other external vendors, such as independent technical advisers, must be thorough. The chosen form of construction contract must take into account local practices, available local skills and expertise;

(d) Changes to key personnel of the project team, both internal and external, for large-scale projects should be anticipated in project scheduling, to avoid delays in project execution;

(e) Location constraints and related challenges, particularly related to construction material importation, may extend project duration longer than expected. Material importation lead times, including factoring in host country processes and regulations, must be identified well in advance in order to accurately project and manage the overall implementation schedule;

(f) Payment terms for construction contracts with regard to the importation of materials must be determined prior to contract award;

(g) End users should be identified early in the project planning phase, with their requirements identified and managed throughout the process. A planning committee to serve as a forum for communication with end users is highly desirable;

(h) Continuous engagement and leadership of executive level management of the lead office is essential;

(i) Support of the host country in all aspects of the project, particularly with regard to permitting material importation, is essential.

D. Potential claims management

40. With the building substantially completed and the issuance of the substantial completion certificate to the contractor, the Commission is working in close coordination with the Office of Central Support Services and has sought the advice of the Office of Legal Affairs with regard to the recommended approach to recover costs incurred as a result of the contractor's delays.

41. Discussions regarding the matter are ongoing, with the objective of reaching a conclusion that is in the long-term best interest of the Organization. The outcome will be reported in the context of the final progress report.

42. There are currently no outstanding claims by the contractor against the Organization.

IV. Occupancy and operation of the new office facilities

A. Rental income

43. It is estimated that the gross rental income from the additional office facilities would be $1,506,100 per year from the five entities. However, it should be noted that, given that the United Nations Office to the African Union made a $1 million contribution to the project, this amount would translate into approximately 35 months of pre-paid rent. Furthermore, the rental income would cover all the expenses associated with the provision of maintenance for the new premises, including utilities.

B. Additional requirements for security services

44. Security and safety of United Nations operations, staff and premises are the responsibility of the Department of Safety and Security. These mandated activities require predictable funding and hence are included within the programme budget.

45. The Security and Safety Service at the Economic Commission for Africa is responsible for providing security services to United Nations staff, including staff from resident United Nations agencies, funds and programmes, as well as United Nations property, delegates, contractors, affiliates and visitors within the complex.

46. Currently, the Economic Commission for Africa complex comprises 20 buildings that house the Commission, 16 agencies, funds and programmes with over 700 vehicles accessing the premises daily. There are about 1,600 staff, more than 300 contractors and about 100 affiliates working in the complex, with more than 200 visitors entering the complex on a daily basis. In addition, the United Nations Conference Centre located within the complex, hosts a significant number of participants of meetings and conferences on a daily basis (estimated at 60,000 participants per year), of which many are VIPs, including Heads of State and Government.

47. The additional office facilities comprise a seven-storey building which accommodates more than 600 occupants related to the additional five entities. Owing to the addition of this facility to the complex, the Security and Safety Service is expected to handle an increased workload. Furthermore, an additional 100 contractors, 100 visitors, and 300 private and official vehicles are estimated to enter the compound on a daily basis.

48. As a result of this surge in the number of staff, visitors, delegates and vehicles that enter the compound, it is estimated that the Security and Safety Service will require the establishment of an additional 18 Security Officer posts to carry out its safety and security responsibility throughout its expanded area of operations on a shift basis.

49. Resource requirements for the additional posts described above amount to $386,700 (net of staff assessment) under section 34, Safety and security, in the biennium 2014-2015. The costs associated with the proposals are summarized in table 1 below.

50. Resource requirements include the proposed establishment of 18 Security Officer (Local level) posts and other related general operating requirements for the period from 1 January 2015 to 31 December 2015. Requirements for the period beyond 31 December 2015 will be presented in the context of the proposed programme budget for the biennium 2016-2017.

Table 1
Resource requirements under section 34, Safety and security, Economic Commission for Africa
(Thousands of United States dollars)

Category	*2014-2015 Initial appropriation*	*Additional requirements*	*2014-2015 Revised estimate*	*Recurrent additional requirements 2016-2017*
Post	5 017.5	331.2	5 348.7	631.8
Non-post	2 051.6	55.5	2 107.1	74.0
Total (net of staff assessment)	**7 069.1**	**386.7**	**7 455.8**	**705.8**

Post requirements ($331,200)

51. The existing staffing complement of the Safety and Security Service in the Economic Commission for Africa, as approved under section 34, Safety and security, of the programme budget for the biennium 2014-2015, is composed of 122 established posts (1 P-4, 1 P-3, 1 P-2 and 119 Local level). The provision of

$331,200 would provide for the establishment of 18 additional Security Officer (Local level) posts for the period from 1 January 2015 to 31 December 2015.

52. As described in the paragraphs above, with the completion of the additional office facilities and the resulting surge in the number of staff, contractors, visitors and delegates accessing the compound daily, it has been estimated that 18 additional Security Officers (Local level) posts will be required to complement the existing 119 Security Officer (Local level) posts to conduct fire, compound and floor patrols and to provide screening services at the vehicular and pedestrian entrance gates on a shift basis.

Non-post requirements ($55,500)

53. Non-post resources in the amount of $55,500 would provide for: (a) other staff costs for overtime and night differential ($26,900); and (b) supplies and materials for security officers' uniforms and security supplies ($28,600).

V. Status of renovation of conference facilities

A. Africa Hall Building

1. Background

54. The Economic Commission for Africa, in collaboration with the United Nations Educational, Scientific and Cultural Organization (UNESCO), the African Union Commission and the Ethiopian Government, launched the first initiative of the historic project for the renovation of Africa Hall to make it a monument to modern African history. The initiative was launched at a ceremony held on 24 October 2008 to mark the fiftieth anniversary of the Commission.

55. Pursuant to the request of the General Assembly in its resolution 65/259, the Commission engaged a local consultancy firm in July 2012 to assess the premises and develop a scope of the work needed for the renovation. Unfortunately, the consultant was not able to complete the assignment, owing to its magnitude and scope. Thereafter, the Commission, with the assistance of the Office of Central Support Services, retendered the design services in 2013 and engaged a qualified international consultant to carry out a detailed condition assessment, establish the required work and provide an overall cost estimate for the renovation of the Africa Hall Building.

2. Project objectives

56. The project proposal aims to address inadequacies related to building functionality and longevity, with a view to achieving the highest standard for conference facilities, while preserving and restoring the historical and cultural values embedded in the building's architecture.

57. The proposed renovation takes into consideration the original design intent of the building and its interior spaces, while ensuring compliance with best practices related to current international building standards and codes. These include: (a) structural requirements and seismic risks; (b) physical, life and fire safety of occupants; (c) accessibility and other provisions for persons with disabilities; (d) energy efficiency and other initiatives related to the efficient use of natural resources; and (e) achievement of healthy indoor air and light quality.

58. The renovation work also aims to encompass refurbishing of fixed and loose furniture, fixtures and finishing of the building, including conservation of the historical artwork in Africa Hall. The restoration and conservation of the artwork will be conducted in conformity with UNESCO and international best practice guidelines.

59. The provision of permanent and temporary, or rotating, exhibits highlighting key events and the role of Africa Hall in the shaping of Pan-African history and the sharing of this experience to persons visiting the building is envisioned.

3. Assessment of the Africa Hall Building

Work undertaken

60. In February 2014, the Commission signed a contract with the international consultant for stage 1: preparation, and stage 2: concept and design development. In consultation with the Commission, internal stakeholders, and the Office of Central Support Services at Headquarters, the consultant conducted a conditions assessment of the building's exterior and interior, and of the surrounding landscape elements. As part of the assessment, the consultant studied and produced a structural integrity report. The consultant also drafted a conservation management strategy which serves to guide the renovation process.

61. The detailed investigations undertaken enabled the production of a concept design and recommendations for the project's programme. The concept design became the basis for the design development package that was produced.

62. At the end of stages 1 and 2, a clearly defined project scope, schedule and related cost estimate was produced which forms the basis of the proposals contained in the present report on the way forward for the consideration of the General Assembly.

Findings

63. The detailed assessment undertaken by the consultant revealed a great deal of deterioration and a multitude of deficiencies that need to be addressed, including:

(a) Extensive structural fatigue in the foundation, slabs, beams, columns and exterior walls, due to the age of the building, and the additional weight of a mezzanine that had been added to the original structure;

(b) The health and life safety, fire protection systems, and the light, sound and air quality of the building do not meet international standards;

(c) The building provides very limited access and amenities for persons with disabilities;

(d) Elements of the building facades and roof have deteriorated and provide little protection against extreme weather, thereby allowing water infiltration to damage the interior spaces and threaten the integrity of the building and its art works. The window glazing has no proper protection against fragmentation in the event of a seismic incident;

(e) All the electromechanical building services and the conferencing support systems and technologies are obsolete and need to be replaced in their entirety;

(f) The original furniture, fixtures and finishing, especially in the Plenary Hall and associated areas, require complete refurbishment. The works of art are deteriorating and require the attention of specialists;

(g) The strengthening of security measures related to delegates' access and use of the building will require further detailed study.

64. The above findings and conclusions highlight essential overall building renovation work that is critically needed, in order for the building to remain safe and functional. Such work would need to be completed as a prerequisite for meeting the project objectives in the Plenary Hall to attain the highest standards for conference facilities, as requested by the General Assembly.

4. Scope of the renovation

65. In view of the findings, the project scope has to address the structural inadequacies, occupants' health and safety issues and shortcomings in terms of access for persons with disabilities to ensure that the renovation meets current international standards. As indicated above, upgrades to the building are to be undertaken in a manner that respects the original design and appearance of spaces, which could enable incorporation of a visitors' centre to exhibit the rich history of the African continent and what is now the African Union.

66. The proposed scope of the renovation project would include all elements of the Africa Hall Building covering approximately 8,300 square metres of floor area and approximately 4,500 square metres of its immediate external landscape. Below is the order of priority envisaged for the proposed renovation.

(a) Structural upgrade, essential life and health safety and building works

67. This work includes upgrading the structure of the entire building in order to strengthen the structural elements degraded by cracks and fatigue, to cater for the current requirements of seismic risk, to remove hazardous materials, if necessary, and prepare the structure for the renovation of the Plenary Hall.

68. The essential life and health safety and building systems, inclusive of fire protection, electromechanics and hydraulics, will be upgraded to ensure that the applicable indoor light and air quality and safety standards are met.

69. Work will include required upgrades for full accessibility for persons with disabilities. This will include elevators, ramps and other items related to accessible paths of travel, as well as accessible amenities, such as toilet facilities.

70. The work will entail upgrading the weatherproofing, including roofs and façades, so that the building can continue to function in the short and long term for the Organization. The exterior façade, including the windows and walls, will be restored using modern materials to better meet energy-efficiency standards.

(b) Plenary Hall and associated work

71. This work is integral to the main objective of the project to ensure that the Plenary Hall is in compliance with the highest standards of conference facilities. All the internal spaces defining the Plenary Hall, the adjacent interpreters' booths, sound control rooms, the committee rooms, offices, corridors, lobbies, press and public viewing gallery on the second floor, and all associated spaces, such as the bridge links connecting to the main entry lobby in the Old Office Building, will be renovated and restored. Refurbishment and restoration of these spaces will ensure that adequate fire protection, life and health safety, security, and accessibility and technologies for persons with disabilities are met.

72. Upgrading of the electrical and mechanical distribution systems will deliver adequate indoor air and light. Technological equipment throughout the conferencing area will be replaced in order to meet current industry standards.

73. Work will be undertaken to upgrade and refurbish the fixed seating, loose furniture, fixtures and finishes with respect paid to the original design, while incorporating modern audiovisual systems and other requirements.

(c) External work and landscape

74. External work includes repair to and upgrading of structural and hydraulic works related to the western fountain and the site drainage, introduction of a dry moat to protect the basement from water infiltration, and installation of new fire hydrants on the western side of Africa Hall. The work in this category also includes landscaping, ensuring safe pedestrian walkways, as well upgrading the external lighting and site installations of building service systems.

(d) Heritage conservation

75. In order to retain the original appearance of the building and its surroundings, restoration will be detailed to closely resemble the original design intent. This may entail removal of intrusive elements that were introduced subsequent to the original construction.

76. Conservation and restoration of the prominent stained glass and other historical artwork will be undertaken. Within the retail area of the Africa Hall Rotunda, spaces will be designated for the incorporation of exhibits.

(e) Visitors' centre: screening building, new entrance and reserved parking

77. In the context of addressing the specific request contained in General Assembly resolution 65/259, it is considered opportune to include a visitors' centre in the Africa Hall Building to highlight its significant role in modern African history, as envisioned at the ceremony marking the fiftieth anniversary of the Economic Commission for Africa on 24 October 2008.

78. Africa Hall would thus serve as a desirable destination for those who wish to learn Africa's history and the genesis of what is today the African Union. This would build upon the already existing conservation initiatives relating to the prominent stained glass and other artwork, include a permanent lecture gallery and exhibition space, bookstore and gift shop, and provide for guided tours for the public, school groups and other institutions through a pre-arranged reservation system.

79. The proposed scope also envisages the creation of a new visitors' entry point, which in turn would require a new visitors' entrance and screening building, as well as a reserved parking area adjacent to the Economic Commission for Africa compound. Necessary consultations on the latter are still to be undertaken with the host Government authorities.

80. With regard to operational activities, a comprehensive business case study for this programme will be developed with the goal of being cost-effective and sustainable. A revenue stream is envisioned as part of the programme's development and would be overseen by the Public Information and Knowledge Management Division within the Economic Commission for Africa. The results of the study will be presented in the next progress report to be submitted to the Assembly at its seventieth session.

5. Implementation plan and schedule

81 The project schedule for executing the structural upgrade, essential life safety and building works, the Plenary Hall and associated work, external work, heritage conservation and visitors centre is estimated to take approximately seven years. As herein reported, stage 1, preparation, and stage 2, concept and design development commenced in February 2014 and was completed in June 2014. A graphic depiction summary of stage 2 is provided in annex III to the present report. Subject to the approval by the Assembly of the proposed project implementation plan, the next three stages will commence in the first quarter of 2015.

82. Stage 3, pre-construction, will include detailed assessments required to complete the detailed design, as well as production information (construction drawings) and tender documentation to procure construction services.

83. Stage 4, construction, will include the physical work of the project to be implemented in phases as outlined below. If approved, detailed information on activities at each of these phases will be developed and reported to the General Assembly.

Phase 1: Swing space and decanting

Phase 2: Structural upgrade and hazardous material removal

Phase 3: General work to address safety issues

Phase 4: Detailed work for modernizing the conference facility

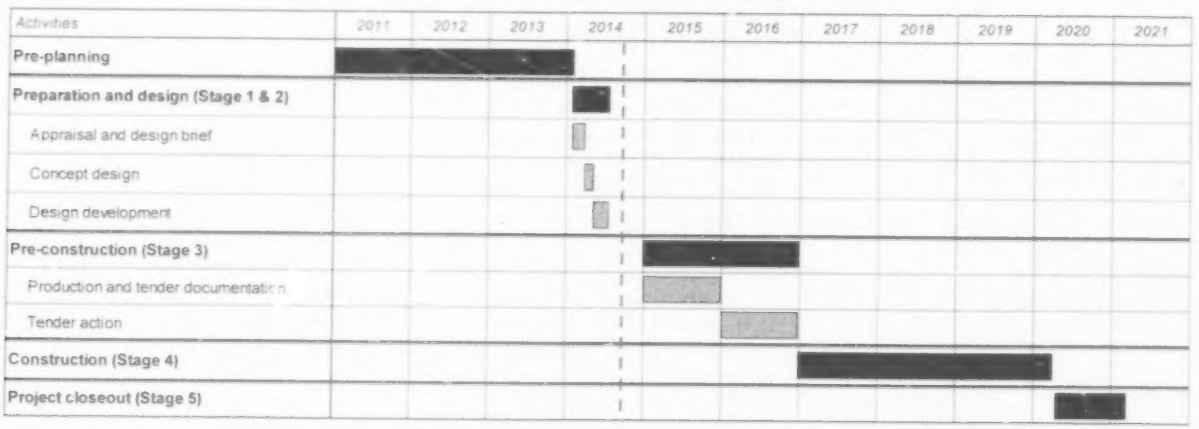
Phase 5: Project close-out

84. Stage 5 will be the warranty and defects liability period.

85. The proposed project schedule is shown below.

Figure II

Proposed project schedule for the renovation of the Africa Hall Building



6. Africa Hall Building renovation project cost plan

86. The estimated project cost for the proposed renovation of Africa Hall, its adjunct visitor areas and associated security enhancements is $56,896,300 over a

period of seven years, from 2015 to 2021. As illustrated in figure II above, this would provide for stages 3 (pre-construction) to 5 (project close-out).

87. The pre-planning and stages 1 and 2 of the project have been completed, using approved resources of $437,000 under the programme budget for the biennium 2012-2013. It should be noted that there are no resources included for the renovation of the Africa Hall Building under section 33 of the programme budget for the biennium 2014-2015.

88. An analysis of the estimated cost for stages 3 to 5 of the proposed renovation project by activity is shown in table 2 below. A more detailed analysis of the estimated cost by year is provided in annex II.

Table 2
Estimated project cost (stages 3 to 5) of the proposed renovation of the Africa Hall Building
(Thousands of United States dollars)

	Estimated total 2015-2021
Construction by renovation subproject	
(a) Essential structural and other building works	23 680.1
(b) Plenary Hall and associated work	20 304.8
(c) External work	721.7
(d) Heritage conservation	2 257.4
	46 964.0
(e) Visitors' centre: screening building, new entrance and reserved parking	5 852.0
Subtotal, construction costs	**52 816.0**
Project supervision and management	
(a) Commission project management team	3 347.5
(b) Travel	132.0
Subtotal, project management costs	**3 479.5**
Physical security during construction	600.8
Total	**56 896.3**

Construction costs ($52,816,000)

89. The proposed project will result in an estimated construction cost of $52,816,000 comprising the estimated construction trade costs[1] ($31,665,000), fees for external consultants ($5,984,000), allowances for price escalation ($6,364,000) and a 20 per cent contingency for construction work ($8,803,000). An analysis of these construction component costs by year can be found in annex II.

[1] Construction trade costs include only the material, labour and installation costs for executing a particular construction job.

Commission project management team ($3,479,500)

90. Estimated resources of $3,347,500 would be required to establish a dedicated project management team for the period from July 2015 to June 2021. The team would comprise a project manager (P-5), a project engineer (P-4) and six project staff at the National Professional Officer and Local level. Further details on the project team are provided below.

91. A further amount of $132,000 would be required during the project to cover the cost of coordination, provision of guidance and technical support and administrative assistance for the project, including travel and the conduct of workshops by the Office of Central Support Services.

Physical security during construction ($600,800)

92. An estimated amount of $600,800 would be required for the deployment of six security officers to control activities at the construction site for the duration of the construction, from 2017 to 2020.

7. Next steps

93. Based on lessons learned from other United Nations major capital projects, the risk of cost and schedule overruns throughout the lifetime of a project can be significantly reduced if an effective project governance structure, a robust project management team and a properly detailed design with the related cost estimates are in place before the commencement of any construction or renovation work.

94. The next steps for the renovation project are to: (a) establish a project governance structure; (b) establish an initial dedicated project management team; and (c) engage a dedicated design consultant to perform stage 3, pre-construction services.

95. It is expected that during stage 3, there will be a need to engage specialized consultancy services to do a hazardous material survey, undertake security validation and propose mitigation measures. Other services, such as an independent cost consultant review, an independent technical advice and possibly audit expertise, may also be needed during the project's lifespan. These are expected to be accommodated within the overall proposed project budget.

96. The outcome of the above will be reported to the General Assembly at its seventieth session as part of the progress report of the Secretary-General.

(a) Project governance structure

97. The Executive Secretary of the Economic Commission for Africa is the project owner and would therefore be accountable for the overall management of the project. The Director of the Division of Administration will have the responsibility of informing the Executive Secretary on all project activities, particularly performance in delivery of key milestones, and would bring to his attention any significant issues that affect the scope, schedule and budget of the project.

98. The Assistant Secretary-General for Central Support Service at Headquarters will continue to provide the necessary administrative coordination, technical guidance and senior leadership on project management matters. In particular, the Overseas Property Management Unit in the Office of Central Support Services will provide ongoing day-to-day technical and administrative support and guidance to

the project management team, and weekly conference calls will continue to be held on all aspects of the project's developments.

99. An Advisory Committee, chaired by the Executive Secretary or a designated representative, will be established to provide strategic guidance to ensure the successful execution of the project.

100. An independent technical adviser, reporting to the Executive Secretary, or a designated representative, will provide impartial advice, inclusive of risk management services, quantity surveying services, and verification of payment certificates, and will comment on other project-related documents and activities.

(b) Dedicated project management team

101. From the lessons learned on other major capital projects, the establishment of a dedicated project team is required early in the project implementation process, and must support, but be independent from, the existing team at the Commission that is responsible for the day-to-day management of the facilities. Similar to arrangements put in place during the recently completed additional office facilities, it is envisaged that the project team, comprising eight positions, would need to be established and would report to the Director of Administration.

102. It is proposed that the dedicated project team include: a Project Manager (P-5); a Project Architect/Engineer (P-4); a Supervisor Architectural/Civil/Structural Engineer (National Professional Officer); a Supervisor — Electrical/Mechanical/Security/Telecom Engineer (National Professional Officer); a Clerk of Works (National Professional Officer); an Administrative Assistant (Local level); a Finance Assistant (Local level); and a Logistics/Shipment Assistant (Local level).

103. The project management team would maintain liaison with stakeholders from the Information Technology, Conference Management Services, Security and Safety Services, Facilities Management, and Supply Chain Management Sections on operational and logistical aspects of the project. The team would provide inputs on the requirements throughout the design and construction phases of the project and facilitate coordination to ensure smooth transitions that minimize disruption of activities during project implementation.

104. The Project Manager (P-5), supported by a dedicated project management team, would lead the project and would be responsible for the overall direction of it to ensure that it is implemented on schedule and within budget. In addition, the Project Manager would be responsible for maintaining adequate communication among stakeholders. The Project Manager would have overall technical and administrative responsibility and accountability, through the Division of Administration, to the Executive Secretary and any advisory committees.

105. The Project Manager would be supported by a Project Engineer (P-4) who would be supported by three National Professional Officers to deal with engineering and architectural coordination matters with the consultant and contractors. The Project Engineer would be responsible for the management and coordination of the project design and construction activities to ensure that the project objectives and goals are met, and ultimately, would be responsible for the delivery of the project design and construction with consideration to the schedule, cost and meeting quality targets.

106. The Project Manager and Project Engineer would be supported by the engineers for major disciplines, the clerk of works, administrative assistant, finance assistant, and logistics and shipment assistant, owing to the complexity of the project and the fact that an estimated 85 per cent of construction materials and equipment will have to be imported from multiple suppliers.

107. It is proposed that the positions related to the Project Manager (P-5) and the Administrative Assistant (Local level) be established as at July 2015, which would require additional resources under general temporary assistance in the amount of $113,200 for the biennium 2014-2015. With regard to the remaining six positions, it is proposed that they be established as at January 2017. In addition, an amount of $12,000 related to travel costs would be required in the biennium 2014-2015.

(c) Dedicated consultancy services

108. After putting in place the governance structure and project management team, the Commission will proceed to engage a technically competent consultant for stages 3, 4 and 5. It will also be necessary to identify and engage specialized services to undertake assessments with regard to hazardous materials and security validations. An independent cost analysis and audits, as noted in paragraph 94, may also be required.

109. It is envisaged that stage 3, Pre-construction, will include detailed assessments required to complete the detailed design, as well as production information (construction drawings) and tender documentation to procure construction services, and will commence in the first quarter of 2015. It is estimated that additional resources under contractual services in the amount of $2,184,000 for the biennium 2014-2015 would be required.

8. Resource requirements for the biennium 2014-2015

110. Resource requirements for the proposals described above for the biennium 2014-2015 amount to $2,309,200. The costs associated with the proposals are summarized in tables 3 and 4 below, by expenditure component and budget section. Resource requirements for 2015 include the proposed establishment of two general temporary assistance positions (1 P-5 and 1 Local level), effective July 2015, travel costs, and design consultancy services related to stage 3, pre-construction.

Table 3

Resource requirements under sections 18, Economic and social development in Africa, and 33, Construction, alteration, improvement and major maintenance, by object of expenditure

(Thousands of United States dollars)

Object of expenditure	*2014-2015 estimate*
Other staff costs	113.2
Travel of staff	12.0
Contractual services	2 184.0
Total	**2 309.2**

Table 4
Resource requirements by programme budget section
(Thousands of United States dollars)

Budget section	*2014-2015 estimate*
18. Economic and social development in Africa	125.2
33. Construction, alteration, improvement and major maintenance	2 184.0
Total	**2 309.2**

Section 18, Economic and social development in Africa

Other staff costs ($113,200)

111. Resource requirement of $113,200 would cover an initial dedicated project management team at the Commission through the establishment of two positions, effective July 2015, comprising the Project Manager (P-5) supported by an Administrative Assistant (Local level) funded under general temporary assistance.

Travel of staff ($12,000)

112. The proposed resources would provide for travel costs during 2015 between the Commission and Headquarters in New York to consult and report on project advancement.

Section 33, Construction, alteration, improvement and major maintenance

Contractual services ($2,184,000)

113. The requirements of $2,184,000 under this category would provide for the engagement of a programme management firm for stage 3, pre-construction.

B. United Nations Conference Centre

114. The roof renovation works for the United Nations Conference Centre is being implemented in two phases, owing to the nature of the work involved. Phase 1 of the project comprised the waterproofing of the lower peripheral part of the roof (5,500 m^2). Phase 1, which has been fully implemented, identified considerable concealed damages which were only discovered after renovation works had started.

115. Provisions for phase 2 in the amount of $1,125,100 have been approved in the programme budget for the biennium 2014-2015. These resources allow for the refurbishment of an additional 7,562 square metres of the United Nations Conference Centre roof, covering the central roof dome and Conference Rooms 1 and 2, and the replacement of the waterproofing material and the sealing of all roof joints. Phase 2 consultancy and design updates based on lessons learned from phase 1 were finalized in July 2014, with implementation scheduled to commence in the last quarter of 2014.

116. Conference Rooms 3, 4, 5 and 6 were returned to full operation in March 2014. The conference facilities renovation component to upgrade the plumbing, drainage system and tiling the kitchen floor is scheduled for completion by the end of August 2014. This project has reduced the risk of internal leakages in the

building, improved the efficiency of kitchen and catering services for the conference delegates and has been complemented by the installation of new carpeting in the Banquet Hall and Delegates' Lounge.

117. With regard to the goal of bringing the interior of the conference facilities in line with the highest standards, the remaining work includes recarpeting of conference rooms, electrical and mechanical and audiovisual upgrades to comply with current industry standards, and creation of access for disabled persons. Additional work and resources will be necessary for part of the remaining interior work, and is being included in the ongoing development of the strategic capital review.

118. The occupancy rate of the United Nations Conference Centre remained at acceptable levels of 82 per cent in 2012, 69 per cent in 2013, and as at June 2014, stood at 60.5 per cent, despite the disruption caused by ongoing renovations, which included closure of certain conference rooms and the kitchen.

VI. Conclusion

119. The Secretary-General is pleased to report that the construction of the additional office facility at the Economic Commission for Africa was substantially completed in June 2014 and all tenants moved in by mid-August 2014.

120. Ancillary project components necessary for the move-in were completed in June 2014. Work contracts for the remaining components have also been awarded and planned for execution in a phased manner based on anticipated weather conditions. They are scheduled to be substantially completed by mid-2015.

121. Pursuant to the request by the General Assembly in its resolution 65/259, an international consultant was engaged to assess Africa Hall's compliance with international best practices for highest conferencing standards. A clear scope, associated cost estimate and implementation schedule have been proposed for consideration by the Assembly.

VII. Actions to be taken by the General Assembly

122. **The General Assembly is requested to:**

(a) **Take note of the progress made since the issuance of the last progress report;**

(b) **Commend the host country on its continued support throughout the implementation of the construction of the additional office facilities;**

(c) **Approve the proposed scope of the Africa Hall Building renovation project, its schedule and its estimated cost plan for the period from 2015 to 2021;**

(d) **Also approve the project budget of $56,896,300 for the Africa Hall Building renovation project and the establishment of a multi-year, special account for the duration of the project;**

(e) Further approve the establishment of 18 security officer (Local level) posts, effective 1 January 2015, under section 34, Safety and security, of the programme budget for the biennium 2014-2015 (sect. IV);

(f) Approve the establishment of two temporary positions (1 P-5 and 1 Local level), effective 1 July 2015, related to the dedicated project management team under section 18, Economic and social development in Africa, of the programme budget for the biennium 2014-2015 (sect. V (A));

(g) Appropriate an additional amount of $2,695,900 under the programme budget for the biennium 2014-2015 comprising an increase under section 18, Economic and social development in Africa ($125,200), section 33, Construction, alteration, improvement and major maintenance ($2,184,000), section 34, Safety and security ($386,700); and section 36, Staff assessment ($59,400), to be offset by a corresponding amount under income section 1, Income from staff assessment, of the programme budget for the biennium 2014-2015;

(h) Charge the amount of $2,695,900 against the contingency fund for the biennium 2014-2015;

(i) Request the Secretary-General to submit a progress report to the General Assembly at the main part of its seventieth session.

Annex I

Project cost for the construction of additional office facilities at the Economic Commission for Africa

(Thousands of United States dollars)

	Expenditure as at 31 December 2013	*Expenditure January-July 2014*	*Projected expenditure August 2014-June 2015*	*Estimated total for 2014-2015*	*Estimated total expenditure*
	(a)	*(b)*	*(c)*	*(d) = (b) + (c)*	*(e) = (a) + (d)*
Approved in resolutions 56/270 and 60/248					
Construction costs[a]	7 709.5	700.0	957.9	1 657.9	9 367.4
Design, consultancy services and project coordination	1 623.3	0.9	–	0.9	1 624.2
Site work[b]	1 165.9	–	399.9	399.9	1 565.8
Workstations and furniture	330.2	1.8	–	1.8	332.0
Contingencies[c]	–	–	120.2	120.2	120.2
Approved in resolution 63/263 (programme budget for the biennium 2008-2009)					
Installation of information technology and telephone equipment	613.1	1.2	–	1.2	614.3
Approved in resolution 62/238					
Safety and security[d]	759.8	–	–	–	759.8
Internal access roads[e]	–	–	246.6	246.6	246.6
Parking and landscaping[e]	–	–	193.7	193.7	193.7
Generators and generator house[e]	356.7	–	152.5	152.5	509.2
Total	**12 558.5**	**703.9**	**2 070.8**	**2 774.7**	**15 333.2**

[a] Construction costs include the main contract value of $7,451,700 as signed on 1 April 2010, amendment 1 for additional resources totalling $1,000,100 from the budgets of the United Nations Office to the African Union and the United Nations-African Union Hybrid Operation in Darfur for the top floor, and amendments 2 to 14 totalling $1,437,600, less savings from value engineering of $522,100. These also include amendment 12, which generated savings of $93,000, due to centralizing the uninterrupted power supply system.

[b] Ancillary projects, phase II.

[c] Budgeted contingency of $925,200 is shown at a residual value of $120,200.

[d] Resources in the amount of $759,800 for security requirements were approved under section 33, Safety and security, in resolution 62/238 as part of the programme budget for the biennium 2008-2009.

[e] Ancillary projects, phase I.

Annex II

Project cost plan for the proposed renovation of the Africa Hall Building at the Economic Commission for Africa, by year

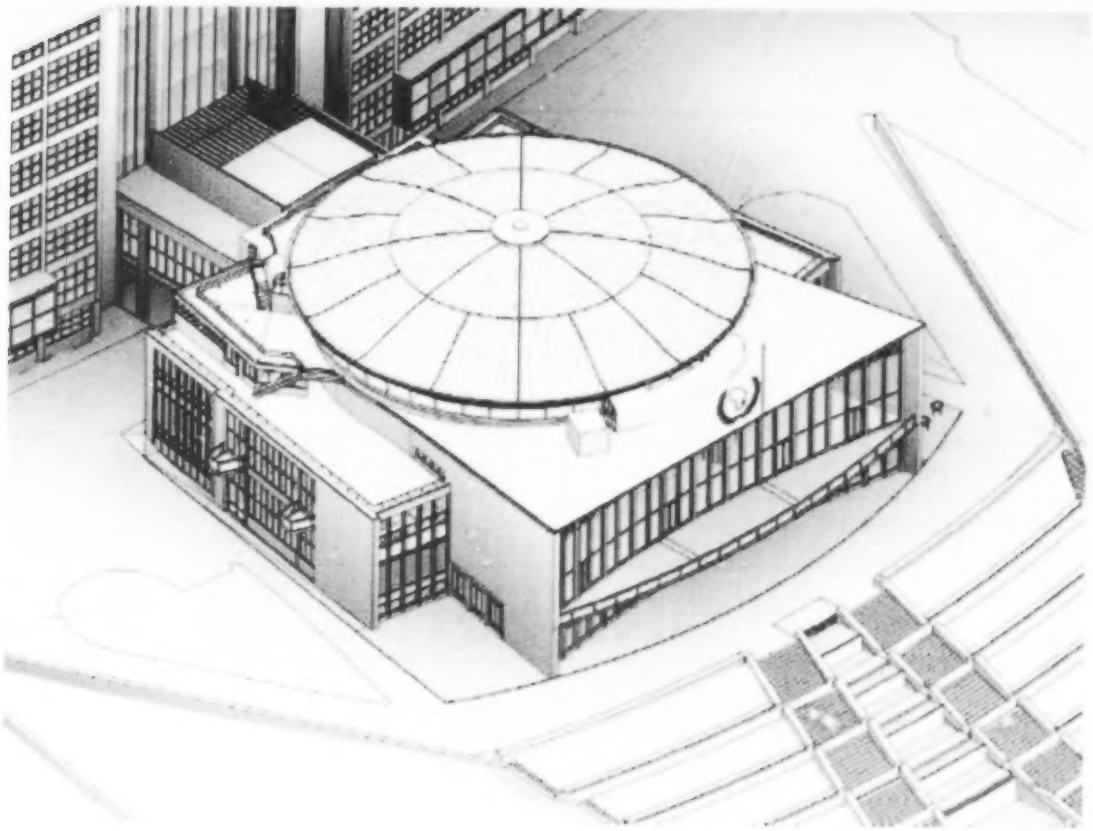
(Thousands of United States dollars)

	2015	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*Estimated total*
Construction costs								
Construction trade costs	–	–	7 464.0	7 058.0	13 665.0	3 478.0	–	31 665.0
Escalation pre-commencement (31 months)	–	–	795.0	752.0	1 456.0	372.0	–	3 375.0
Escalation construction (41.5 months)	–	–	–	747.0	1 794.0	448.0	–	2 989.0
Consultant fees	1 820.0	1 820.0	544.0	595.0	645.0	475.0	85.0	5 984.0
Contingency	364.0	364.0	1 761.0	1 830.0	3 512.0	955.0	17.0	8 803.0
Subtotal, construction costs	**2 184.0**	**2 184.0**	**10 564.0**	**10 982.0**	**21 072.0**	**5 728.0**	**102.0**	**52 816.0**
Project supervision and management								
Commission project management team	113.2	233.1	609.0	639.4	672.2	707.6	373.0	3 347.5
Travel	12.0	12.0	24.0	24.0	24.0	24.0	12.0	132.0
Subtotal, project supervision and management	**125.2**	**245.1**	**633.0**	**663.4**	**696.2**	**731.6**	**385.0**	**3 479.5**
Physical security requirements	–	–	150.2	150.2	150.2	150.2	–	600.8
Total	**2 309.2**	**2 429.1**	**11 347.2**	**11 795.6**	**21 918.4**	**6 609.8**	**487.0**	**56 896.3**

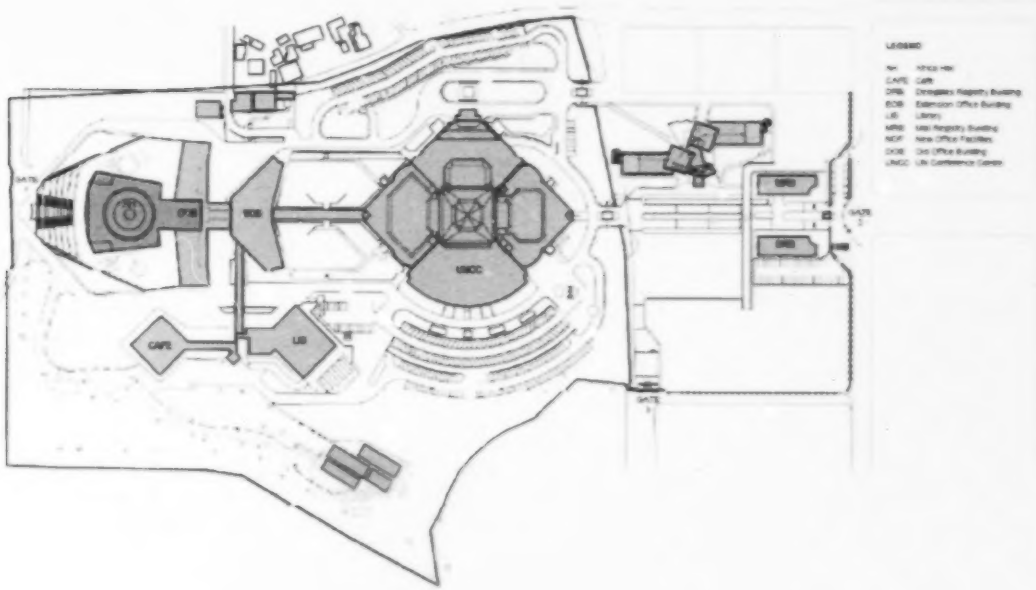
Annex III

Africa Hall design images

A. External isometric of Africa Hall Building



B. Site plan highlighting Africa Hall Building in relation to the overall Economic Commission for Africa compound



C. Interior perspective of plenary hall